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SUBJECT: UN ANTI-CORRUPTION CONFERENCE (MARCH 17-18, 2008)

REFTEL: BAGHDAD 00069

11. (U) Summary. As part of its portfolio of activities to support good governance, the United Nations Development Program (UNDP), in coordination with the office of Deputy Prime Minister Barham Salih, organized an international Anti-Corruption Conference in Baghdad on March 17-18, 2008 at al-Rasheed Hotel, entitled "International Compact with Iraq: Initiative on Good Governance and Anti-Corruption - Conference on UN Convention Against Corruption." Funding for the conference was provided by the European Commission. The conference was chaired by the United Nations Special Representative of the Secretary General for Iraq, Mr. Staffan de Mistura, and the keynote

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address was given by United Nations Under-Secretary General and Director of the UN Office on Drugs and Crime (UNODC), Mr. Antonio Maria Costa. Deputy Prime Minister Barham Saleh offered welcome remarks. More than 200 Government of Iraq (GOI) officials, Iraqi academics, NGO activists, and international guests attended the opening session; domestic and international press were well represented, also. End summary.

SECOND TIME A CHARM

12. (U) On March 17-18, 2008, for the second time in three months, the city of Baghdad hosted a major international anti-corruption conference. As a follow-up to its successful January 3, 2008 conference on anti-corruption, GOI officials, including Deputy Prime Minister Dr. Barham Salih and the heads of the GOI's major anti-corruption bodies (the Joint Anti-Corruption Council - JACC; the Board of Supreme Audit - BSA; the Commission of Integrity - COI; the Iraqi Inspectors General - IIG; and the Council of Representatives' Integrity Committee - COR/IC) contributed statements on the GoI's progress in countering corruption. Other participants included the World Bank's Baghdad representative and Iraqi NGO activists. Topics included "Institutional Development and Capacity Building"; "Criminalization and Law Enforcement"; and "The Role of Non-State Actors, Media, and Civil Society."

RATIFICATION OF THE UN CONVENTION AGAINST CORRUPTION

13. (U) In August 2007, the COR approved the GOI's becoming a signatory to the UN Convention Against Corruption (UNCAC); later that month, the President and both Vice Presidents counter-signed the measure, legally allowing the GOI to become a signatory to the UNCAC. In the months since that signing, however, the status of the GOI's efforts to become a signatory has been shrouded in mystery: confusion reigns as to the exact status of the effort. Emboffs were advised that the paperwork may be either still at Ministry of Foreign Affairs (MFA) in Baghdad or has been forwarded to the GOI's representatives at the UN Mission in Geneva or to the Permanent Representative at UNHQ in NYC. The United Nations Office on Drugs and Crime (UNODC), as the office in charge of the UNCAC, has promised to work with the GOI to unravel the confusion post haste.

## THE INTERNATIONAL COMPACT WITH IRAQ

14. (U) As part of its responsibilities under the International Compact for Iraq (ICI), the GOI pledged to tackle corruption in both the public and private sectors. ICI commitments include a pledge to develop by the end of 2008 a comprehensive system of internal and external controls within the government, including audits (a key anti-corruption measure in Iraq, where so much money is generated from oil revenue), to battle corruption. Also by the end of 2008, the GOI must complete a master plan for its anti-corruption agencies, as well as ratifying and implementing the UNCAC and other relevant international agreements. These mandates were addressed throughout the two-day conference, including during an end-of-conference statement by Dr. Ali Allak, Chairman of the Joint Anti-Corruption Council (JACC). UNDP and the GOI are drafting a "Baghdad Declaration on Combating Corruption" stating the "going forward" efforts on the GOI to battle corruption; post will share the final version with NEA/I when it is released.

## FOCUS ON INSTITUTIONAL ROLES

15. (U) More than 200 people attended the opening session of the conference. Following welcoming remarks from Deputy Prime Minister Barhem Salih and opening remarks by UN Special Representative of the Secretary General for Iraq, Mr. Staffan de Mistura, the keynote

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address was delivered by UN Under-Secretary General and Director of UNODC, Mr. Antonio Maria Costa ("UNCAC: Building Public Trust in Government"), who explained that the UNCAC would "help the rule of law prevail over the rule of the bribe in Iraq." He also noted that "where government control is weak, strongmen take law enforcement and public money into their own hands, creating a vicious circle of insecurity and corruption." He called for a national anti-corruption strategy and invited the GOI to strengthen the role of the Joint Anti-Corruption Council as a mechanism to promote better coordination among the different bodies in charge of fighting corruption. Costa also introduced the UNODC-World Bank Stolen Asset

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Recovery Initiative (StAR), a technical capacity-building initiative to support implementation of the UNCAC, assess the strength of participants' asset-recovery regimes and foster cooperation on asset recovery among UNCAC-signatory states. (Note: Costa did not/not specifically invite Iraq to participate in the StAR Initiative. Several Iraqi participants were nonetheless quick to welcome the prospect of asset recovery assistance, perhaps not understanding that the StAR Initiative is a capacity-building project, not an operational effort to recover stolen revenues. End note.)

16. (U) Dr. Ali Allak, Chairman of the JACC, discussed the "Role of Key Iraqi Institutions" in battling corruption, while Sheik Sabah al-Saedi, Chairman of the COR/IC, spoke of the "Importance of the Integrity Commission." Dr. Abdul Bassit Al Turki, President of the BSA, discussed "The Role of the BSA," while the newly appointed Commissioner of the COI, Raheem al-Ugaili, elucidated his plans for guiding the COI in the upcoming months. Dr. Adel Muhsen Abdullah, Inspector General of the Ministry of Health, spoke on the "Role of the Inspectors General," and Mr. Simon Stolp, representative of the World Bank in Baghdad, discussed the "World Bank's Anti-Corruption Programs."

## VOICES IN THE WILDERNESS

17. (U) The remainder of the first day, plus all of the second day, was dedicated to group discussions on "Institutional Development and Capacity Building," "Criminalization and Law Enforcement," "The Role of Non-state Actors (Media and NGO's)," and "Coordination and Cooperation against Corruption." Discussions among the Iraqi participants were thoughtful and forward-looking, but the sparse attendance of these sessions was a major disappointment for the conference's organizers and participants. While each session's average of only two dozen participants did not negatively affect the quality of the discussions, the input would have been greater had more officials and journalists attended.

## NEXT STEPS

¶8. (U) The Iraqi participants acknowledged that corruption is a corrosive force that destroys trust in public institutions, robs a country of its development, distorts economic growth, reinforces inequality, deprives the poor of basic services, funds violence and terrorism, and empowers organized crime. They also recognized that corruption is one of the main challenges for Iraq's efforts to create a stable and democratic government. They agreed that the fight against corruption cannot be left to the government alone, but that civil society must undertake an essential role in combating corruption by raising public awareness and promoting accountability and transparency.

¶9. (U) In a follow-up meeting the day after the UNCAC's conclusion, EmbOffs met with UNDP officials to discuss the next steps. Salient points from the meeting follow below:

a) UNODC will continue to work with the GOI to complete the necessary documentation for Iraq to become a signatory to the UNCAC;

b) A UNAMI D/SRSG, who is dual-hatted as Resident Coordinator for the UNIraq Country Team, will also act as the Resident Representative for UNDP. UNDP staff will continue to be based in Amman, but will make more frequent visits to Baghdad, inter alia, to implement the anti-corruption initiatives discussed at the conference;

c) UNDP will continue its capacity-building program with BSA, programming \$6,000,000 over the next three years for Phase II of the project;

d) UNDP hopes to use seed money to begin technical assistance and capacity-building programs with CoI and the IIGs later this year. If these pilot projects go well, UNDP will solicit additional financial support from Trust Fund donors;

e) UNDP will begin a media training program later this year;

f) EmbOffs will hold frequent anti-corruption coordination meetings with UNDP reps during their visits to Baghdad.

¶10. (U) Comment: UNDP-Amman staffers deserve tremendous credit for pulling this conference together. UNDP's initial effort to organize a conference on corruption issues started more than eight months ago, but only gathered momentum toward the end of 2007. Conference organizers reported excellent cooperation from the offices of Prime Minister Maliki and DPM Barham Saleh, as well as strong support from the individual anti-corruption agencies. Organizing this event from afar presented more than logistical challenges: UNDP-Amman staffers were not familiar with the initiatives presented at the GOI's January 2008 anti-corruption conference nor the on-going activities

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to implement the GOI's own anti-corruption benchmarks. For the UN initiatives announced at this conference to succeed, UNDP and UNODC will need to have representatives in Baghdad -- even if it is only through more frequent TDY visits -- regularly engaging their Iraqi partners and keeping track of the shifting dynamics between key anti-corruption players.

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